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FARMERS' EQUITIES IN THEIR MARKETING AND
PURCHASING COOPERATIVES, 1949 AND 1950

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Farmers' equities for the year 1950 in the approximate 10,000 local and regional marketing and purchasing cooperatives listed with the Farm Credit Administration totaled \$1,298,431,000. This figure represents an increase of 13.1 percent above the revised amount of \$1,148,203,000 for 1949. Farmers' equities in associations engaged primarily in marketing farm products totaled \$866,032,000 for 1950. Equities in cooperatives engaged primarily in purchasing supplies were \$432,399,000. These estimates include a limited nonfarmer ownership represented primarily through preferred stock holdings.

Duplication brought about by intercooperative investments, such as stock owned by a local cooperative in a regional association, has been eliminated in the estimates. Patronage refunds retained by a regional for capital purposes and appearing on the balance sheet of its member associations have also been eliminated as a duplication.

Some revisions of 1949 estimates of farmers' equities have been made. The principal change is an increase of 13.5 percent in the 1949 estimates for grain, beans and rice associations, resulting in a revised total of \$288,161,000. An increase in the number of 1949 balance sheets available for study and changes in the basis of estimating, account primarily for the change in the estimate for this group of associations.

Changes between 1949 and 1950 in farmers' financial interest in their cooperatives reflect growth or decline in equities in individual associations as well as in changes in the numbers of associations. Variations in numbers are relatively small so that for the most part differences are dominantly those arising from changes in equity positions. When the approximately 10,000 associations listed with the Farm Credit Administration are divided into groups representing their principal kinds of business, it is found that equities in marketing associations increased 11.2 percent between 1949 and 1950 while farmers' interest in purchasing cooperatives increased 17.1 percent. Within the marketing group, with the exception of the tobacco and miscellaneous associations, both of which reflect significant relative changes in the number of associations, the percentage changes in equities vary from an increase of 8.2 percent for wool and mohair to 17.4 percent for associations handling dairy products. Details of the revised estimates for 1949 and 1950 estimates are shown in the tabulation appearing on the following page.

The Balance Sheet of Agriculture, prepared annually by the Bureau of Agricultural Economics (Agri. Inf. Bul. No. 73), shows total assets of agriculture increased from \$126,864 million to \$142,775 million between January 1, 1950, and January 1, 1951, or approximately 12.5 percent. The 1949 and 1950 estimates of farmers' equities in cooperatives presented in this report include some association figures for the earlier months in the years 1950 and 1951 respectively. They may be compared, therefore, with figures in the Balance Sheet of Agriculture for the two dates, January 1, 1950, and January 1, 1951. The comparable change in farmers' equities in cooperatives was 13.1 percent, only a slightly larger figure than the 12.5 percent in total assets. This 13.1 percent thus kept close pace with the change in total assets in agriculture and is only slightly lower than the 13.5 percent increase between 1950 and 1951 for proprietors' total equities in agriculture as shown in the Balance Sheet of Agriculture.

Cooperative Research and Service Division
FARM CREDIT ADMINISTRATION
United States Department of Agriculture
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Farmers' equities in marketing and purchasing cooperatives, 1949 and 1950

Associations grouped according to their principal activities	Farmers' equities ¹		
	1949, revised ²	1950	Percentage change
Marketing			
Cotton and cotton products-----	\$43,964,000	\$50,372,000	+14.6
Dairy products-----	178,895,000	210,020,000	+17.4
Fruits, vegetables, and nuts-----	174,954,000	189,991,000	+8.6
Grain, beans and rice-----	288,161,000	318,418,000	+10.5
Livestock and livestock products-----	15,222,000	16,835,000	+10.6
Poultry and eggs-----	39,788,000	43,773,000	+10.0
Tobacco-----	5,779,000	7,242,000	+25.3
Wool and mohair-----	4,709,000	5,095,000	+8.2
Miscellaneous marketing-----	27,391,000	24,285,000	-11.3
Totals for marketing associations-----	\$778,863,000	\$866,032,000	+11.2
Purchasing-----	369,340,000	432,399,000	+17.1
Totals for marketing and purchasing associations-----	\$1,148,203,000	\$1,298,431,000	+13.1

¹Includes stock owned in banks for cooperatives but excludes duplications arising from intercooperative investments.

²No change in the livestock figure.

Farmers' financial interest in their marketing and purchasing cooperatives in 1949 amounted to .9 of one percent of their total assets invested in agriculture as represented by real estate, livestock, machinery and motor vehicles, stored crops, cash (including bank deposits), U. S. Savings Bonds, and investments in cooperatives. The percentage for 1950 was also .9 of one percent, thus indicating no change between the two years in its position relative to total assets of agriculture although farmers' equities in marketing and purchasing associations showed an actual increase of \$150,228,000. Farmers' investments in their marketing and purchasing cooperatives as "off-farm" tools of farming operations continue to remain at relatively low levels compared to the total capital requirements for agriculture.

When farmers' equities in cooperatives providing such business services as credit, electricity, irrigation and insurance are added to their equities of \$1,298,000,000 in marketing and purchasing associations, the total for January 1, 1951, becomes \$2,245,000,000.

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FARM CREDIT ADMINISTRATION
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